

2012R00252/SUE

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
	:	Criminal No. 14- <i>cr-150(KM)</i>
v.	:	
	:	26 U.S.C. § 7206(2)
	:	26 U.S.C. § 7206(1)
WAYNE DUNICH-KOLB	:	18 U.S.C. § 2

I N D I C T M E N T

The Grand Jury in and for the District of New Jersey, sitting at Newark,
charges:

COUNTS 1 Through 5

(Aiding and Assisting in the Filing of False Tax Returns)

1. At all times relevant to this Indictment:

(a) Defendant WAYNE DUNICH-KOLB ("DUNICH-KOLB") was the
sole owner and operator of Dunich-Kolb LLC.

(b) Dunich-Kolb LLC, which operated out of defendant
DUNICH-KOLB's Saddle River, New Jersey residence, provided income tax
preparation services to its clients.

2. At various times relevant to this Indictment:

(a) Defendant DUNICH-KOLB met with taxpayers at the office
described in paragraph 1(b) to prepare their U.S. individual income tax returns;

(b) Defendant DUNICH-KOLB used his computer at his home office to prepare taxpayers' U.S. individual income tax returns;

(c) Defendant DUNICH-KOLB caused his clients to form fictitious partnerships and S corporations that existed in name only and had no business purpose other than to falsely reduce the clients' tax liability (the "Fictitious Businesses");

(d) Defendant DUNICH-KOLB prepared false and fraudulent U.S. business returns for clients' Fictitious Businesses by fabricating and inflating business expenses, such as those for advertising, travel, and other miscellaneous expenses, in order to generate false and fraudulent business and partnership Schedule K-1 losses, which losses defendant DUNICH-KOLB then used to substantially reduce the taxpayers' taxable income on their U.S. individual income tax returns; and

(e) Defendant DUNICH-KOLB prepared false and fraudulent U.S. individual tax returns for taxpayers by fabricating and inflating Schedule E deductions for unreimbursed employee business expenses, such as for home office, vehicle mileage, and fuel expenses.

3. For federal tax years 2007, 2008, 2009, 2010, and 2011, defendant DUNICH-KOLB prepared U.S. individual tax returns for approximately ten clients that contained fabricated and inflated expenses and deductions, resulting in a total tax loss of approximately \$1,640,166.

4. On or before the dates listed below, in Bergen County, in the District of New Jersey and elsewhere, defendant

WAYNE DUNICH-KOLB

did knowingly and willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service of federal income tax returns, Forms 1040, for the individuals and tax years identified below, which were false and fraudulent as to material matters, as described below, knowing that the returns were false and fraudulent.

COUNT	NAME OF TAXPAYER	TAX YEAR	DATE FILED (ON OR BEFORE)	FALSE BUSINESS LOSSES CLAIMED (APPROX.)	REPORTED TAXABLE INCOME (APPROX.)	ACTUAL TAXABLE INCOME (APPROX.)	REFUND CLAIMED (APPROX.)
1	M.V.	2007	4/15/08	\$179,190	\$102,818	\$240,302	\$60,502
2	M.V.	2008	5/15/09	\$182,973	\$134,788	\$273,551	\$66,666
3	M.V.	2009	4/15/10	\$185,905	\$56,633	\$194,617	\$76,777
4	J.N.	2010	4/15/11	\$194,770	\$0	\$154,705	\$48,371
5	J.N.	2011	4/15/12	\$203,412	\$0	\$199,144	\$61,541

All in violation of Title 26, United States Code, Section 7206(2), and Title 18, United States Code, Section 2.

COUNTS 6 Through 9
(Subscribing to False Tax Returns)

1. Paragraph 1 of Counts 1 through 5, inclusive, is realleged and incorporated herein.
2. At various times relevant to this Indictment:
 - a. Defendant DUNICH-KOLB charged his clients fees for his tax preparation work, which in some instances amounted to more than \$2,000 per year per client;
 - b. Defendant DUNICH-KOLB used software located on his office computer to, among other things, generate invoices for fees charged to his clients for his tax preparation services (the "Client Invoices");
 - c. The Client Invoices reflect that defendant DUNICH-KOLB charged his clients a total of approximately \$608,268 for tax year 2007, a total of approximately \$774,114 for tax year 2008, a total of approximately \$859,276 for tax year 2009, and a total of approximately \$850,218 for tax year 2010;
 - d. Notwithstanding the substantial income that defendant DUNICH-KOLB invoiced for preparing federal tax returns on behalf of his clients for tax years 2007 through 2010, inclusive, defendant DUNICH-KOLB claimed:
 - (i) approximately zero tax due and owing for tax years 2007 and 2008; (ii) approximately \$32,006 in tax due and owing for tax year 2009; and (iii) approximately \$33,506 in tax due and owing for tax year 2010;

e. Defendant DUNICH-KOLB's individual U.S. income tax returns for tax years 2007 and 2008 were not true and correct as to every material matter in that defendant DUNICH-KOLB claimed approximately zero tax due and owing for those tax years and attempted to obtain refunds for prior year Alternative Minimum Tax ("AMT") payments that he never made;

f. Defendant DUNICH-KOLB's individual U.S. income tax returns for tax years 2009 and 2010 were not true and correct as to every material matter in that defendant DUNICH-KOLB substantially offset the tax liabilities for those tax years by claiming false credits for prior year AMT payments that he never made; and

g. The tax returns were signed by defendant DUNICH-KOLB and contained a written declaration that they were signed under the penalties of perjury.

3. On or about the dates listed below, in Bergen County, in the District of New Jersey and elsewhere, defendant


WAYNE DUNICH-KOLB

knowingly and willfully did make and subscribe United States Individual Income Tax Returns, Forms 1040, for the tax years listed below, which he did not believe to be true and correct as to every material matter, as described below.

COUNT	TAX YEAR	DATE FILED (ON OR BEFORE)	TOTAL TAX PREPARATION FEES INVOICED (APPROX.)	FALSE AMT TAX CREDIT CLAIMED (APPROX.)	REPORTED TAX DUE AND OWING (APPROX.)	REFUND CLAIMED (APPROX.)
6	2007	1/3/11	\$608,268	\$64,012	\$0	\$12,835
7	2008	1/3/11	\$774,114	\$51,210	\$0	\$25,638
8	2009	1/3/11	\$859,276	\$64,012	\$0	\$0
9	2010	2/21/12	\$850,218	\$64,012	\$0	\$0

All in violation of Title 26, United States Code, Section 7206(l), and Title 18, United States Code, Section 2.

A TRUE BILL


 PAUL J. FISHMAN
 United States Attorney

CASE NUMBER: 14- Cr-150 (KM)

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

WAYNE DUNICH-KOLB

INDICTMENT FOR

26 U.S.C. § 7206(2)

26 U.S.C. § 7206(1)

18 U.S.C. § 2

PAUL J. FISHMAN

UNITED STATES ATTORNEY

NEWARK, NEW JERSEY

SHIRLEY U. EMEHELU

ASSISTANT U.S. ATTORNEY

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